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DIRECTORATE OF  
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# *WEEKLY SUMMARY*

## *Special Report*

*India and the Himalayan Kingdoms*

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## INDIA AND THE HIMALAYAN KINGDOMS

India considers the preservation of its predominant influence in the three Himalayan kingdoms of Nepal, Bhutan, and Sikkim vital to the security of the Indian subcontinent. Its treaty relationships with each state, a legacy of British-ruled India, provide for varying degrees of Indian involvement; each is heavily dependent on India for economic assistance, trade, and security.

Following the Sino-Indian border hostilities in 1962, India greatly stepped up its efforts to lessen the vulnerabilities of this backward area against potential Chinese aggression, in the process arousing considerable anti-Indian sentiment and some internal political instability. New Delhi probably does not expect another Chinese attack on the 1962 scale, but is determined to be prepared for such an eventuality. Indian self-interest will remain the prime determinant of its Himalayan policies. This simple factor causes strains in Indo-Nepalese relations and would appear to rule out the hopes nurtured by the monarchs of Bhutan and Sikkim for greater latitude in controlling the affairs of their tiny, strategically located mountain kingdoms.

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### BACKGROUND

Both the size and the internal administration of modern Nepal, Bhutan, and Sikkim were determined to a great extent by British policy in the subcontinent. These three small monarchies on India's northern frontier remained outside the sphere of direct British rule, but in the 19th century each was brought to some degree under British protection. Their relationships with India today are a result of historical precedent from the British period, the strategic military significance of the Himalayan frontier, and internal political conditions.

British policy toward Nepal was aimed at keeping the kingdom friendly and free from foreign influence. The Rana dynasty of hereditary prime ministers reciprocated with a policy of neutrality, strict isolation, and close friendship with the British. The British did not dispute Nepal's independence and in 1923 signed a treaty formally recognizing its sovereign status. Nepal today is the very model of an independent and neutral buffer state, adroitly balancing its relations with two formidable neighbors, Communist China and India.

Ambiguously worded clauses in the treaties between Bhutan and India have led to differing interpretations of Bhutan's international status. The British recognized Bhutan as an independent sovereign power that agreed "to be guided" by the British Government in its foreign relations, but they did not consider it a subordinate political unit over which they could exercise paramount power. The 1949 Indo-Bhutan Treaty, continuing such a relationship, confirmed the internal autonomy of Bhutan but bound it to obtain Indian guidance regarding its foreign affairs. Bhutanese leaders have argued that they are not obliged to abide by Indian advice, but to date Bhutan has not significantly violated this special treaty arrangement.

Sikkim's autonomy historically has been more fully circumscribed; in 1890 the British negotiated a treaty with the Chinese which confirmed British supremacy and defined the Sikkim-Tibet border. Sikkim's protectorate status was reaffirmed in the 1950 Indo-Sikkim Treaty, which also confirmed New Delhi's responsibility for the state's defense, communications, and foreign affairs.

Independent India showed increasing concern over the security of the Himalayan border region in 1950 when Communist China invaded Tibet. New Delhi preferred to avoid drastic changes in its relationships with the three border states, however, because tighter control might have provoked political instability and possibly threatened India's special interests there. Moreover, the Sino-Indian agreement on the five principles of peaceful coexistence in 1954 quieted New Delhi's fears of a Chinese threat to India's northern borders. Such delusions about China were dashed, however, by China's take-over of Tibet in 1959, and by periodic clashes between Indian and Chinese security forces along the Tibet-Indian border. Peking demanded the "liberation" of Sikkim and Bhutan and accused New Delhi of perpetuating Britain's "imperialist" policy of encroachment on Chinese territory. Prime Minister Nehru responded that aggression against Sikkim, Bhutan, or Nepal would be considered aggression against India. The three states were excluded from the arena of armed conflict during the brief Sino-Indian border war in 1962, but their existence as a viable buffer zone between India and China remains a matter of utmost concern in Indian defense planning.

### INDIA-NEPAL

Intimate cultural, economic, and historical ties have existed between India and Nepal for at least two millennia. Since King Mahendra ascended the throne in 1955, however, he has

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King Mahendra of Nepal

made determined efforts to shed Nepal's traditional image as an Indian satellite and assert his kingdom's separate identity.

When Mahendra abruptly dismissed Nepal's only popularly elected parliamentary government in 1960, New Delhi expressed unmistakable concern and the hope that constitutional democracy would soon be restored. Most of the ruling Nepali Congress Party leaders were imprisoned or fled to India where they were permitted to form centers of resistance against the King. Indo-Nepalese relations declined even further when the exiles began armed attacks on Nepalese Government installations using Indian border states as safe havens. As a countermeasure, Mahendra increased his efforts to develop closer ties with China, culminating in the Sino-Nepalese Boundary Treaty in 1961 and in the construction of a 65-mile road between Kathmandu and Kodari on the Tibetan border.

Nepal, however, in 1962 moved quickly to improve its relations with New Delhi. Mutually recriminating notes and public statements halted, and Indo-Nepalese relations were normalized.

Since 1966, India has been the major aid donor to Nepal, and in fiscal year 1969

contributed an estimated \$14.2 million—about half of Nepal's total foreign assistance. Indian aid supports a wide variety of activities: road building, health and agricultural programs, hydroelectric dams, and industrial projects. Although Nepal has sought to diversify its trade, about 90 percent of it continues to be with India.

Mahendra has been careful not to allow reconciliation with India to jeopardize friendly ties with Peking. Sino-Nepalese relations, strained by offensive Chinese behavior during the Cultural Revolution have been largely repaired, and China, Nepal's second largest aid donor, has promised continuing and increasing economic assistance. Nepal, however, is concerned about China's subversive activities in the border regions of northern and southern Nepal, and its support to various segments of the 6,000-member underground Communist Party of Nepal/Left. Nevertheless, India's defeat by the Chinese in 1962 has eroded Kathmandu's confidence in India's ability to defend Nepal against Chinese aggression.

Over the last several months the relations between New Delhi and Kathmandu have declined to their lowest point since 1962. The problems are complicated by an atmosphere of mutual distrust and suspicion of motives and policies. The Chinese have encouraged Nepalese dissatisfactions and skillfully exploited sensitive issues. Nonetheless, Indo-Nepalese cooperation is mutually advantageous, and it seems unlikely the present situation will deteriorate seriously.

The Nepalese are perhaps most resentful of real and imagined Indian interference in their domestic affairs. India's commitment to democratic government is the basis for its long-standing pressure for some liberalization in Mahendra's authoritarian political system. The Indian ambassador became deeply involved last October in promoting a partial reconciliation between the King and imprisoned or exiled members of the

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banned Nepali Congress Party. He also played a role in the release, after eight year's detention, of former prime minister and Nepali Congress Party leader, B. P. Koirala. Koirala is probably the only popular figure capable of rallying estranged political elements behind the King's sluggish program of economic and political development. Annoyance at India's role in the affair, however, was a factor behind the King's recent decision to slow down the process of rapprochement with his largely pro-Indian opposition.

A more contentious issue is a minor boundary adjustment problem involving some 3,300 acres on the Indo-Nepal border. Inconclusive and postponed bilateral discussions led the Nepalese to view the matter as an example of Indian high-handedness; India apparently saw it as a problem of little consequence but was unwilling to waive its claims. It has now evolved into a genuine border dispute in which one side will ultimately be seen as giving up land to the other.

A more complex area of concern relates to trade and transit procedures. Neither country has fully honored provisions of the 1960 Trade Treaty. Nepal, as a landlocked, and overwhelmingly agricultural nation of 10.5 million, still only in the embryonic stages of development, feels India does not adequately appreciate the kingdom's economic difficulties. India complains that Chinese goods are being smuggled into India via Nepal and seeks further restrictions on competitive Nepalese exports. Attempts in late 1968 to alleviate trade grievances were adversely received in both countries, and disagreements are likely to fester until the treaty comes up for renewal in 1970.

No progress was made on any of these issues during the Indian foreign minister's official visit to Nepal in early June 1969. Possibly India's firm stance is meant primarily to convince the Indian public that New Delhi will not succumb to Nepalese pressure. Some conciliatory Indian gestures to redeem the cordiality both sides say they desire may be forthcoming, however, in less highly publicized negotiations.

#### INDIA-BHUTAN

King Jigme Dorji Wangchuk's foremost concern is to safeguard Bhutan's independence from the potential threats posed by China and India. Since the Chinese completed their take-over of Tibet in 1959, contact between China and Bhutan has been very limited, and Peking has abstained from pressing its claims to several small northern border areas administered by the Bhutanese.

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In sharp contrast, India's involvement has risen rapidly and steadily in the last decade. India is not responsible for the defense of this sequestered kingdom, but its concern for the security of the subcontinent motivates its ever-growing efforts to reduce Bhutan's tremendous economic and defense weaknesses. Indian combat troops are not deployed in Bhutan, but are well positioned on the kingdom's flanks.

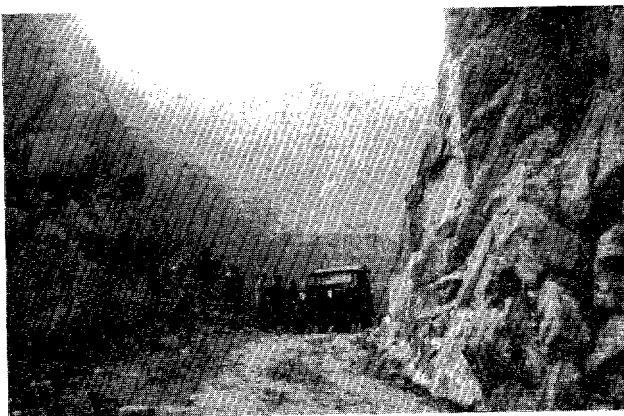
Until 1961, a land journey from the Indian plains to Bhutan's major settlements involved a six-day trip by foot or mule. Between 1961 and 1966 India invested \$21 million in Bhutan, most of which was allocated to road construction. An impressive network of blacktopped roads and roads that can be traveled by jeeps—a total of 400 to 500 miles over rugged mountainous terrain—has now been completed. New Delhi has pledged \$26.6 million toward Bhutan's second Five Year Plan (1966-71), placing the heaviest emphasis on roads and transport vehicles, followed by education and agricultural development. At present the principal mode of air travel is by helicopter, and India has assisted in constructing 18 helipads at major settlements and military training centers. Bhutan's only airfield was completed in 1968.

Bhutan's principal means of self defense lies in its 8,000 to 12,000-man army. India assists in



King Jigme Dorji Wangchuk of Bhutan

training Bhutanese forces in guerrilla operations through an organization known as the Indian Military Training Team staffed by 3,400 Indians. An additional 100 Indian Army officers and several thousand enlisted personnel are attached to the Border Roads Development Organization, a unit of civil and military engineers responsible for Bhutan's road-building projects. Instruction in rudimentary police methods is conducted by an Indian police training team.



Mountain Road in Bhutan

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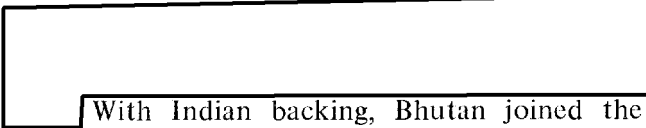
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There is considerable sentiment against New Delhi's efforts to increase its already predominant influence. In part this stems from Bhutan's fear of provoking China and incurring its retaliation. In addition, the Bhotias, who comprise 60 percent of the 800,000 population, are closely related ethnically, culturally, and religiously to Tibet, and tend to look with disdain on Hindu society and Indians in general.

The Bhutanese Government views membership in the UN as the most effective means of offsetting its dependence on India.

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With Indian backing, Bhutan joined the Colombo Plan in 1963 and the Universal Postal Union last March. Bhutan views the latter as a significant stepping stone toward UN membership and as an opportunity to augment the \$50,000 in foreign exchange it earns annually from the sale of postage stamps. Its only other important source of hard currency is India's annual foreign exchange entitlement of \$106,000 provided by an Indo-Bhutan Treaty in 1949.

Bhutan's history of intrigue in its leading families and in the politically influential Buddhist clergy justifies New Delhi's concern for the kingdom's internal security. The monarch's plans for political and economic modernization have stimulated political tension within this highly feudalistic, backward society, and aroused fears among traditionalist elements who still dominate many aspects of Bhutan's political and economic life.

There is little chance of serious internal trouble while the King dominates the political

scene, but his death or incapacitation could trigger a power struggle between traditionalist and progressive elements. The 42-year old King suffers from a heart ailment that is not serious but does pose a factor of uncertainty. Until the 14-year-old Crown Prince—now at school at Harrow, England—becomes 18, the King would probably be succeeded by a regency council, presumably headed by his half-brother and closest adviser, Dasho Namgyal Wangchuk.

#### INDIA-SIKKIM

India's pervasive influence in Sikkim far exceeds that in neighboring Nepal and Bhutan. Although internal affairs are the responsibility of Sikkim's 46-year-old ethnic Tibetan ruler, Paldem Thondup Namgyal, the Chogyal of Sikkim, he is subject to the direction of a resident Indian administrative officer. An Indian political officer conducts Sikkim's foreign relations, and Indian officials occupy prominent positions throughout the government. India's responsibility for Sikkim's defense and internal security justifies the deployment of 24,000 to 27,000 Indian troops along the major lines of communication to the border and at key Himalayan passes. Indian and Chinese troops are within yards of each other at



The Chogyal of Sikkim

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Nathu La, the 14,200-foot pass at the southern terminus of the Chinese-held Chumbi Valley—one of the best invasion routes into the subcontinent.

In the economic sphere, Indo-Sikkimese ties are close. Virtually the entire development budget is met by India through direct grants-in-aid, loans, and subsidies. These Indian expenditures have concentrated on road construction, improvement of agricultural and communication facilities, and exploitation of mineral resources. India's overwhelming role is also evident in the private sphere, as most of the local commercial and credit structure is dominated by Indian merchants living in Sikkim.

The ambiguity in Sikkim's "protectorate" status is underscored by the rights and responsibilities of India under a 1950 treaty. New Delhi has refused to redefine the relationship, however, thus adding frustration to the Chogyal's well-known interest in a treaty revision granting greater autonomy. To complicate the matter, the Chogyal and the political elite differ considerably in the changes they consider desirable. Suggestions range from wholly unrealistic aspirations for total independence and membership in the UN to, at a minimum, Indian acknowledgement of Sikkim's few trappings of sovereignty such as its national anthem, flag, and colors of the 300-man Royal Body Guard. Most Sikkimese officials, however, favor a clear recognition of the kingdom's international status, giving it the right to join international organizations and earn foreign exchange through tourism and the sale of postage stamps.

Economic grievances arising from Sikkim's subordinate position in the Indian defense and trade system have grown as a result of the Sino-Indian border dispute. Sikkim suffered an economic setback when the Tibet border near Gangtok was closed, ending the capital city's role as the main entrepot in the trans-Himalayan trade. Nonetheless, it has gained considerably from Indian military and developmental spending, roughly estimated at \$25 million. Sikkimese officials argue, however, that they have paid an equivalent amount to India in excise duties on goods imported into Sikkim and maintain New Delhi should refund a portion of the taxes, as is the practice with the states within the Indian Union. Anything like official foreign aid programs or direct trade relations other than with India are banned by the 1950 treaty.

New Delhi is very much aware of Sikkim's grievances, and, in so far as they can be removed within the framework of the existing treaty, appears prepared to accommodate some of them. Indian authorities, for example, are not opposed

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to a reduction in the number of Indian officials in Sikkimese services. Their replacement can only be a gradual process, however, for the dearth of qualified Sikkimese for posts in technical and educational fields is a major, though diminishing, obstacle. Political factors play an important role and the inability of the palace and political parties to agree upon a candidate for the post of administrative officer has further delayed the naming of a Sikkimese to this important position.

It is likely that the Chogyal, supported by his American-born wife, Hope Cooke, and a group of young Sikkimese Government servants organized in a so-called "study forum," will continue to nurture hopes for a substantial revision of the 1950 treaty.

#### OUTLOOK

Numerous factors militate against a modification of India's Himalayan policies. New Delhi views the Peking regime with deep suspicion and is convinced that Communist China remains basically hostile to its interests. India's publicly expressed willingness to open a dialogue with Peking has gone unanswered. Recurrent incidents on the Sikkim-Tibet border—the latest occurring only last April—and the Sino-Soviet boundary dispute provide New Delhi's "hawks" with graphic evidence of continuing Chinese belligerence. India probably no longer entertains any immediate fear of a Chinese invasion similar to the 1962 onslaught, but firmly believes it must be fully prepared for such an eventuality. Slightly less than a third of India's million-man army faces China, and about another third is available for deployment against either China or Pakistan.

Lacking control over Nepal's internal affairs, New Delhi can only express concern about Nepal's vulnerability to Communist subversion,

particularly among the peasantry and government servants. A more tangible basis for Indian anxiety lies in China's unprecedented accessibility through Nepal to India's Gangetic Plain via the Kathmandu-Kodari Road. Nonetheless, political pressure in India tends to support a policy of firmness in dealing with the Nepalese, in spite of Kathmandu's wounded pride and its efforts to promote at least the semblance of a political equidistance between New Delhi and Peking.

India's sustained effort at great expense to build, maintain, and improve the logistic capacity of the road network in Bhutan emphasizes this vital element in Indian defense strategy. Although there is genuine appreciation for India's increasing developmental assistance, the Bhutanese are extremely conscious of the Indian presence and are determined to maintain Bhutan's national integrity. An accelerating interest among Bhutanese officials in widening their country's external contacts will become increasingly troublesome to New Delhi, which wants to maintain exclusive control over Bhutan's attempted leap from the 12th to the 20th century.

Prospects for a redefinition of the Indo-Sikkimese relationship seem to diminish in proportion to Sikkimese pressure for greater political latitude. Suggestions that Sikkim might seek support from China to strengthen its bargaining position in New Delhi have only resulted in a stiffening of India's stand. The protectorate's location, in perhaps the most strategic and exposed segment of the Himalayan frontier, further discourages the chances for any relaxation that would inevitably be viewed by the Indian public and parliament, and probably by China, as a weakening of India's jealously guarded foothold in the Himalayas.

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